



REG® becomes North America's largest wholly-owned biodiesel manufacturing business with finalization of plant consolidations



Biodiesel industry leader acquires additional 75 MGY of wholly-owned capacity in Iowa and Illinois

AMES, Iowa (March 15, 2010) – Renewable Energy Group® (REG®) today announced the successful completion of asset purchase and consolidation agreements with commercial-scale biodiesel plants in Newton, Iowa and Danville, Ill. making the company North America's largest wholly-owned biodiesel manufacturing and marketing source.

Shareholders in Central Iowa Energy, LLC, (30 MGY facility in Newton, Iowa) and Blackhawk Biofuels, LLC, (45 MGY facility in Danville, Ill.) voted affirmatively in late February to an all-stock transaction making their facilities wholly-owned by Renewable Energy Group, Inc. The consolidation brings REG's wholly-owned manufacturing capacity to 122 MGY.

Now named REG Newton and REG Danville, the facilities represent an additional 75 million gallons per year (MGY) of wholly-owned production capacity which would allow the combined entity to better position itself to meet anticipated demand from the petroleum industry's distillate fuel market.

REG's Chairman and Chief Executive Officer Jeff Strobarg cited demand by major petroleum distributors and oil refiners as a key factor in the decision to move forward with plant consolidation. "With the Renewable Fuels Standard (RFS) now in effect, the distillate market is demanding technical expertise, dependable supply, more efficient distribution and creative pricing options from major biodiesel partners," Strobarg said.

The consolidation transactions were originally announced by REG in May 2009. REG's SEC registration took effect Jan. 19, 2010.



“This process has been a complex, integrated process bringing together the Central Iowa Energy, LLC and Blackhawk Biofuels, LLC boards of directors, legal teams, accounting teams, financial partners and shareholders to consolidate these two facilities under the REG umbrella during some of the industry’s most difficult times,” explained Daniel J. Oh, REG’s President and Chief Operating Officer referring in part to the lapse of the federal blenders tax credit and original delay of the Renewable Fuels Standard. “This has been a complex process and a great accomplishment to bring to a vote in order to move this fully-integrated biodiesel company forward.”

Oh added: “We believe this consolidation brings greater economies of scale, streamlined central management of complex logistics and decision-making processes, and enhanced risk-management opportunities for these two new wholly-owned REG facilities as they join REG’s other wholly-owned facilities; REG Ralston (12 MGY) and REG Houston (35 MGY).”

Ownership of the Central Iowa Energy, LLC and Blackhawk Biofuels, LLC operations is now consolidated within Renewable Energy Group, Inc. The consolidated company is owned by the former shareholders of the two acquired companies and current Renewable Energy Group (REG®) investors; including Bunge North America, ED&F Man, Natural Gas Partners, NGP Energy Technology Partners, US Renewables Group (USRG) and West Central Cooperative.

Renewable Energy Group® Network			
<u>Wholly-Owned Facilities</u>		<u>Third Party Plants</u>	
REG Ralston, Iowa	12 MGY	SoyMor Biodiesel, LLC	30 MGY
REG Houston, Texas	35 MGY	Western Iowa Energy, LLC	30 MGY
REG Newton, Iowa	30 MGY	Iowa Renewable Energy, LLC	30 MGY
REG Danville, Illinois	45 MGY	Western Dubuque Biodiesel, LLC	30 MGY
		East Fork Biodiesel, LLC	60 MGY

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For more information, please contact Alicia Clancy at (o) 515-239-8118; (m) 515-450-9692 or alicia.clancy@regfuel.com

To learn more about Renewable Energy Group, Inc. please visit www.regfuel.com
Or follow @REGbiodiesel on Twitter